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9 Of Attorneys for Erik Graeff and
10 Law Offices of Eric Graeff, P.C.
11

12 UNITED STATES BANKRUPTCY COURT
13
14 FOR THE DISTRICT OF OREGON
15

16 In re) Case No. 14-35071-rld7
17)
18 Cheryl Kae Stites,)
19)
20 Debtor.)
21)
22)
23)
24)

25 United States Trustee,) Adversary No. 16-03013-rld
26)
27)
28 Plaintiff,)
29)
30 v.) ANSWER OF DEFENDANTS ERIK
31) GRAEFF AND LAW OFFICES OF
32) ERIK GRAEFF, P.C.
33)
34)
35 Vincent Howard,)
36)
37 Howard Law, P.C.)
38)
39 Erik Graeff,)
40)
41 Law Offices of Erik Graeff, P.C.)
42)
43)
44 Defendants.)
45)
46)
47)
48)

49 Defendants Erik Graeff and the Law Offices of Erik Graeff, P.C. (collectively
50 "Graeff"), answer Plaintiff's Complaint as follows:
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JURISDICTIONAL AND VENUE ALLEGATIONS

1. Graeff admits the allegations in paragraph 1.

FACTUAL ALLEGATIONS

2. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2.

3. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 3 and therefore denies them.

4. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 4 and therefore denies them.

5. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 5 and therefore denies them.

6. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 6 and therefore denies them.

7. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 7 and therefore denies them.

8. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 8 and therefore denies them.

9. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 9 and therefore denies them.

10. Graeff is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 10 and therefore denies them.

1 11. Graeff is without knowledge or information sufficient to form a belief as to the
2 truth of the allegations in paragraph 11 and therefore denies them.

3 12. Graeff is without knowledge or information sufficient to form a belief as to the
4 truth of the allegations in paragraph 12 and therefore denies them.

5 13. Graeff is without knowledge or information sufficient to form a belief as to the
6 truth of the allegations in paragraph 13 and therefore denies them.

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8 14. Graeff admits the allegations in paragraph 14.

9 15. Graeff admits the allegations in paragraph 15.

10 16. Graeff admits the allegations in paragraph 16.

11 17. Graeff admits the allegations in paragraph 17.

12 18. Plaintiff makes no factual allegations in paragraph 18 to which an answer is
13 warranted.
14

15 19. Graeff admits the allegations in paragraph 19.

16 20. Graeff admits he signed a Local Counsel Engagement Letter. The terms of the
17 letter speak for themselves and Graeff therefore denies the remaining allegations contained
18 in paragraph 20.
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20 21. Graeff admits he signed a Local Counsel Engagement Letter. The terms of the
21 letter speak for themselves and Graeff therefore denies the remaining allegations contained
22 in paragraph 21.
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1 22. Graeff admits he signed a Local Counsel Engagement Letter. The terms of the
2 Letter speak for themselves and Graeff therefore denies the remaining allegations contained
3 in paragraph 22.

4 23. Graeff admits he signed a Local Counsel Engagement Letter. The terms of the
5 Letter speak for themselves and Graeff therefore denies the remaining allegations contained
6 in paragraph 23.

7 24. Graeff admits he signed a Local Counsel Engagement Letter. The terms of the
8 Letter speak for themselves and Graeff therefore denies the remaining allegations contained
9 in paragraph 24.

10 25. Graeff admits he signed an amendment to the Local Counsel Engagement
11 Letter. The terms of the amendment speak for themselves and Graeff therefore denies the
12 remaining allegations contained in paragraph 25.

13 26. Graeff is without knowledge or information sufficient to form a belief as to the
14 truth of the allegations in paragraph 26 and therefore denies them.

15 27. Graeff admits the allegations in paragraph 27.

16 28. Graeff admits the allegations of the first sentence of paragraph 28. Graeff's
17 deposition testimony speaks for itself and Graeff therefore denies the remaining allegations
18 contained in paragraph 28.

19 29. Graeff is without knowledge or information sufficient to form a belief as to the
20 truth of the allegations in paragraph 29 and therefore denies them.

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1 30. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
2 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
3 to form a belief as to the truth of the allegations in paragraph 30 and therefore denies them.

4 31. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
5 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
6 to form a belief as to the truth of the allegations in paragraph 31 and therefore denies them.

7 32. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
8 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
9 to form a belief as to the truth of the allegations in paragraph 32 and therefore denies them.
10

11 33. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
12 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
13 to form a belief as to the truth of the allegations in paragraph 33 and therefore denies them.
14

15 34. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
16 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
17 to form a belief as to the truth of the allegations in paragraph 34 and therefore denies them.
18

19 35. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
20 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
21 to form a belief as to the truth of the allegations in paragraph 35 and therefore denies them.
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23 36. Graeff is without knowledge or information sufficient to form a belief as to the
24 truth of the allegations in paragraph 36 and therefore denies them.

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1 37. Graeff is without knowledge or information sufficient to form a belief as to the
2 truth of the allegations in paragraph 37 and therefore denies them.

3 38. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
4 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
5 to form a belief as to the truth of the allegations in paragraph 38 and therefore denies them.
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7 39. Graeff is without knowledge or information sufficient to form a belief as to the
8 truth of the allegations in paragraph 39 and therefore denies them.

9 40. Graeff is without knowledge or information sufficient to form a belief as to the
10 truth of the allegations in paragraph 40 and therefore denies them.
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12 41. Graeff is without knowledge or information sufficient to form a belief as to the
13 truth of the allegations in paragraph 41 and therefore denies them.

14 42. Graeff is without knowledge or information sufficient to form a belief as to the
15 truth of the allegations in paragraph 42 and therefore denies them.
16

17 43. Graeff admits the Howard Engagement Agreement (“HEA”), the terms of
18 which speak for themselves, otherwise Graeff is without knowledge or information sufficient
19 to form a belief as to the truth of the allegations in paragraph 43 and therefore denies them.
20

21 44. Graeff is without knowledge or information sufficient to form a belief as to the
22 truth of the allegations in paragraph 44 and therefore denies them.

23 45. Graeff is without knowledge or information sufficient to form a belief as to the
24 truth of the allegations in paragraph 45 and therefore denies them.
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1 46. Graeff is without knowledge or information sufficient to form a belief as to the
2 truth of the allegations in paragraph 46 and therefore denies them.

3 47. Graeff admits he signed the Graeff Limited Scope Agreement (“GLSA”).

4 48. Graeff admits he signed the GLSA, the terms of which speak for themselves,
5 and Graeff therefore denies the remaining allegations contained in paragraph 48.
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7 49. Graeff admits he signed the GLSA, the terms of which speak for themselves,
8 and Graeff therefore denies the remaining allegations contained in paragraph 49.
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10 50. Graeff admits the allegations in paragraph 50.

11 51. Graeff is without knowledge or information sufficient to form a belief as to the
12 truth of the allegations in paragraph 51 and therefore denies them.

13 52. Graeff is without knowledge or information sufficient to form a belief as to the
14 truth of the allegations in paragraph 52 and therefore denies them.
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16 53. Graeff is without knowledge or information sufficient to form a belief as to the
17 truth of the allegations in paragraph 53 and therefore denies them.

18 54. Graeff admits the allegations in paragraph 54.

19 55. Graeff is without knowledge or information sufficient to form a belief as to the
20 truth of the allegations in paragraph 55 and therefore denies them.
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22 56. Graeff is without knowledge or information sufficient to form a belief as to the
23 truth of the allegations in paragraph 56 and therefore denies them.

24 57. Graeff is without knowledge or information sufficient to form a belief as to the
25 truth of the allegations in paragraph 57 and therefore denies them.
26

1 58. Graeff admits the allegations in paragraph 58.

2 59. Graeff is without knowledge or information sufficient to form a belief as to the
3 truth of the allegations in paragraph 59 and therefore denies them.

4 60. Graeff is without knowledge or information sufficient to form a belief as to the
5 truth of the allegations in paragraph 60 and therefore denies them.

6 61. Graeff is without knowledge or information sufficient to form a belief as to the
7 truth of the allegations in paragraph 61 and therefore denies them.

8 62. Graeff admits he referred Stites to Rennie. Graeff is without knowledge or
9 information sufficient to form a belief as to the truth of the remaining allegations contained
10 in paragraph 62 and therefore denies them.

11 63. Graeff is without knowledge or information sufficient to form a belief as to the
12 truth of the allegations in paragraph 63 and therefore denies them.

13 64. Graeff is without knowledge or information sufficient to form a belief as to the
14 truth of the allegations in paragraph 64 and therefore denies them.

15 65. Graeff is without knowledge or information sufficient to form a belief as to the
16 truth of the allegations in paragraph 65 and therefore denies them.

17 66. Graeff admits the allegations in paragraph 66.

18 67. Graeff is without knowledge or information sufficient to form a belief as to the
19 truth of the allegations in paragraph 67 and therefore denies them.

20 68. Graeff admits the allegations in paragraph 68.

21 69. Graeff admits the allegations in paragraph 69.

1 70. Graeff admits the Rennie Fee Disclosure, the terms of which speak for
2 themselves, and Graeff therefore denies the remaining allegations contained in paragraph 70.

3 71. Graeff admits the allegations in paragraph 71.

4 72. Graeff admits the allegations in paragraph 72.

5 73. Graeff is without knowledge or information sufficient to form a belief as to the
6 truth of the allegations in paragraph 73 and therefore denies them.

7 74. Graeff is without knowledge or information sufficient to form a belief as to the
8 truth of the allegations in paragraph 74 and therefore denies them.

9 75. Graeff admits the Clements Stipulated Order, the terms of which speak for
10 themselves, and Graeff therefore denies the remaining allegations contained in paragraph 75.

11 76. Graeff is without knowledge or information sufficient to form a belief as to the
12 truth of the allegations in paragraph 76 and therefore denies them.

13 77. Graeff is without knowledge or information sufficient to form a belief as to the
14 truth of the allegations in paragraph 77 and therefore denies them.

15 78. Graeff is without knowledge or information sufficient to form a belief as to the
16 truth of the allegations in paragraph 78 and therefore denies them.

17 79. Graeff is without knowledge or information sufficient to form a belief as to the
18 truth of the allegations in paragraph 79 and therefore denies them.

19 80. Graeff is without knowledge or information sufficient to form a belief as to the
20 truth of the allegations in paragraph 80 and therefore denies them.

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1 81. Graeff is without knowledge or information sufficient to form a belief as to the
2 truth of the allegations in paragraph 81 and therefore denies them.

3 82. Graeff is without knowledge or information sufficient to form a belief as to the
4 truth of the allegations in paragraph 82 and therefore denies them.

5 83. Graeff is without knowledge or information sufficient to form a belief as to the
6 truth of the allegations in paragraph 83 and therefore denies them.

7 84. Graeff is without knowledge or information sufficient to form a belief as to the
8 truth of the allegations in paragraph 84 and therefore denies them.

9 85. Graeff is without knowledge or information sufficient to form a belief as to the
10 truth of the allegations in paragraph 85 and therefore denies them.

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13 FIRST CLAIM FOR RELIEF

14 Against Graeff and Graeff Law

15 Refund of Fees

16 11 U.S.C. § 329(b)

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18 86. Graeff admits and denies the allegations of paragraphs 1-85 as initially
19 admitted and denied.

20 87. Graeff denies the allegations in paragraph 87.

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1 SECOND CLAIM FOR RELIEF

2 Against Howard and Howard Law

3 Civil Penalty for Misrepresenting Services

4 11 U.S.C. §§ 526(a)(3), 526(c)(5)

5 88. Graeff admits and denies the allegations of paragraphs 1-85 as initially
6 admitted and denied.
7

8 89. Plaintiff makes no allegations in paragraphs 89, 90 and 91 concerning Graeff.

9 THIRD CLAIM FOR RELIEF

10 Against Graeff and Graeff Law

11 Civil Penalty for Misrepresenting Services

12 11 U.S.C. §§ 526(a)(3), 526(c)(5)

13 92. Graeff admits and denies the allegations of paragraphs 1-85 as initially
14 admitted and denied.
15

16 93. Graeff denies the allegations in paragraphs 93, 94 and 95.

17 FOURTH CLAIM FOR RELIEF

18 Against Howard and Howard Law

19 Civil Penalty for Failing to Perform Services

20 11 U.S.C. §§ 526(a)(1), 526(c)(5)

21 96. Graeff admits and denies the allegations of paragraphs 1-85 as initially
22 admitted and denied.
23

24 97. Plaintiff makes no allegations in paragraphs 97, 98 and 99 concerning Graeff.
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FIFTH CLAIM FOR RELIEF

Against Graeff and Graeff Law

Civil Penalty for Failure to Perform Services

11 U.S.C. §§ 526(a)(1), 526(c)(5)

100. Graeff admits and denies the allegations of paragraphs 1-85 as initially admitted and denied.

101. Graeff denies the allegations in paragraphs 101, 102 and 103.

SIXTH CLAIM FOR RELIEF

Against Howard and Howard Law

Injunction Against Continued Violation of 11 U.S.C. § 526

11 U.S.C. § 526(c)(5)

104. Graeff admits and denies the allegations of paragraphs 1-85 as initially admitted and denied.

105. Plaintiff makes no allegations in paragraph 105 concerning Graeff.

SEVENTH CLAIM FOR RELIEF

Against Graeff and Graeff Law

Injunction Against Continued Violation of 11 U.S.C. § 526

11 U.S.C. § 526(c)(5)

106. Graeff admits and denies the allegations of paragraphs 1-85 as initially admitted and denied.

107. Graeff denies the allegations in paragraph 107.

EIGHTH CLAIM FOR RELIEF

Against Graeff

Discipline and Sanctions Under the Bankruptcy Court's Inherent Authority

108. Graeff admits and denies the allegations of paragraphs 1-85 as initially admitted and denied.

109. Graeff denies the allegations in paragraphs 109 and 110.

110. Graeff denies all allegations of the Complaint not expressly admitted in this Answer.

WHEREFORE, Graeff prays for relief as follows:

- A. For an Order dismissing Plaintiff's claims against Graeff with prejudice;
- B. For Graeff's costs and disbursements; and
- C. For such other and further relief as this Court deems equitable and just.

Dated this 29th day of February, 2016.

McCLEERY & WADE, P.C.

By /S/ P Scott McCleery

P. SCOTT McCLEERY (OSB No. 850650)
Of Attorneys for Defendant Erik Graeff and
Erik Graeff Law Offices, P.C.